

AMENDED IN SENATE MAY 6, 2014

SENATE BILL

No. 1389

Introduced by Senator Hill

February 21, 2014

An act to ~~add Section 958.2 to~~ *amend Section 958 of the Public Utilities Code, relating to gas pipelines.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1389, as amended, Hill. Natural Gas Pipeline Safety Act of 2011.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including gas corporations, as defined. The Natural Gas Pipeline Safety Act of 2011, within the Public Utilities Act, designates the commission as the state authority responsible for regulating and enforcing intrastate gas pipeline transportation and pipeline facilities pursuant to federal law, including the development, submission, and administration of a state pipeline safety program certification for natural gas pipelines. The Natural Gas Pipeline Safety Act of 2011 requires each gas corporation to prepare and submit to the commission a proposed comprehensive pressure testing implementation plan for all intrastate transmission lines to either pressure test those lines or to replace all segments of intrastate transmission lines that were not pressure tested or that lack sufficient details related to performance of pressure testing. The comprehensive pressure testing implementation plan is required to include a timeline for completion that is as soon as practicable, and includes interim safety enhancement measures, including increased patrols and leak surveys, pressure reductions, prioritization of pressure testing for critical pipelines that must run at or near maximum allowable operating pressure values that result in hoop stress levels at or above 30% of specified minimum yield stress,

and any other measure that the commission determines will enhance public safety during the implementation period. Use of engineering-based assumptions are authorized to determine maximum allowable operating pressure in the absence of complete records, but only as an interim measure until all the lines have been tested or replaced, in order to allow the gas system to continue to operate.

~~This bill would require the commission to adopt rules for gas corporations to follow when determining the maximum allowable operating pressure for an intrastate transmission line installed prior to July 1, 1970, and would require that the rules adopted be compatible with the requirements of specified regulations concerning maximum allowable operating pressure adopted by the federal Pipeline and Hazardous Materials Safety Administration. prohibit a gas corporation from determining the maximum allowable operating pressure of an intrastate transmission line or segment of an intrastate transmission line using the highest actual operating pressure the line or segment was subject to during the 5-year period preceding July 1, 1970, pursuant to a specified federal regulation, and would require that the maximum allowable operating pressure be determined pursuant to rules or orders of the commission.~~

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill would be a part of the Public Utilities Act and because a violation of an order or decision of the commission implementing its requirements would be a crime, the bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 958.2 is added to the Public Utilities~~
- 2 ~~Code, to read:~~

~~958.2. The commission shall adopt rules for gas corporations to follow when determining the maximum allowable operating pressure for an intrastate transmission line installed prior to July 1, 1970. The rules adopted by the commission shall be compatible with the requirements of Section 192.619(a) and Section 192.620 of Subpart L of Part 192 of Title 49 of the Code of Federal Regulations, or any successor regulations adopted by the federal Pipeline and Hazardous Materials Safety Administration.~~

SECTION 1. Section 958 of the Public Utilities Code is amended to read:

958. (a) Each gas corporation shall prepare and submit to the commission a proposed comprehensive pressure testing implementation plan for all intrastate transmission lines to either pressure test those lines or to replace all segments of intrastate transmission lines that were not pressure tested or that lack sufficient details related to performance of pressure testing. The comprehensive pressure testing implementation plan shall provide for testing or replacing all intrastate transmission lines as soon as practicable. The comprehensive pressure testing implementation plan shall set forth criteria on which pipeline segments were identified for replacement instead of pressure testing.

(b) The comprehensive pressure testing implementation plan shall include a timeline for completion that is as soon as practicable, and includes interim safety enhancement measures, including increased patrols and leak surveys, pressure reductions, prioritization of pressure testing for critical pipelines that must run at or near maximum allowable operating pressure values that result in hoop stress levels at or above 30 percent of specified minimum yield stress, and any other measure that the commission determines will enhance public safety during the implementation period. Engineering-based assumptions may be used to determine maximum allowable operating pressure in the absence of complete records, but only as an interim measure until such time as all the lines have been tested or replaced, in order to allow the gas system to continue to operate.

(c) At the completion of the implementation period, all California natural gas intrastate transmission line segments shall meet all of the following:

- (1) Have been pressure tested.

1 (2) Have traceable, verifiable, and complete records readily
2 available.

3 (3) Where warranted, be capable of accommodating in-line
4 inspection devices.

5 *(d) A gas corporation shall not determine the maximum*
6 *allowable operating pressure of an intrastate transmission line or*
7 *segment of an intrastate transmission line using the highest actual*
8 *operating pressure the line or segment was subject to during the*
9 *five-year period preceding July 1, 1970, pursuant to Section*
10 *192.619(c) of Subpart L of Part 192 of Title 49 of the Code of*
11 *Federal Regulations, and shall determine the maximum allowable*
12 *operating pressure pursuant to rules or orders of the commission.*

13 SEC. 2. No reimbursement is required by this act pursuant to
14 Section 6 of Article XIII B of the California Constitution because
15 the only costs that may be incurred by a local agency or school
16 district will be incurred because this act creates a new crime or
17 infraction, eliminates a crime or infraction, or changes the penalty
18 for a crime or infraction, within the meaning of Section 17556 of
19 the Government Code, or changes the definition of a crime within
20 the meaning of Section 6 of Article XIII B of the California
21 Constitution.